

# Israel Sees a Loss on Iran Arms Deal

By THOMAS L. FRIEDMAN

**S**OON after the Iran affair erupted, Israeli officials rushed to emphasize that it would have no negative effect on bilateral relations with the United States. A troop of visiting Congressmen passing through Jerusalem during the holiday season repeated the message that all is well between Jerusalem and Washington.

In fact, this assessment seems to be at best premature and at worst wrong. No one knows this better than Israeli officials themselves. There is a good deal of quiet anxiety here over what Lieut. Col. Oliver L. North will say about Israel if he testifies on the inside story of the Iran affair. Israeli officials are confident that, regarding the first phase of the operation, before January 1986, they have little to worry about save the possibility that private Israeli arms dealers somehow profited from the arrangements.

What is worrisome is the second phase, in which Amiram Nir, former Prime Minister Shimon Peres's adviser on terrorism, was the only regular link between Israel and Colonel North's operation. Although Mr. Nir has declared that he knew nothing about the diversion of money to the Nicaraguan contras, and this may be true, Israeli officials will breathe much easier when they hear that Colonel North has testified to the same view. Beyond that potential problem, the Iran episode has affected Israel-American relations in at least four ways.

First, it has interjected an element of mistrust between Israel and the White House. President Reagan, instead of giving Israel credit for its help in the Iran deal, has described it in arms-length terms, referring to it as a "third country," and White House leaks have suggested that Jerusalem led Washington into the debacle. Defense Minister Yitzhak Rabin finally gave vent last week to some of the frustration here, stating that with all the criticism in the United States, "I am sorry the Administration has not yet taken a public stance" on Israel's role in the affair. "I am not ashamed of what we did," Mr. Rabin added.

Second, Israeli officials recognize that the last 13 months have not been a high point for Israel's image in the United States. In November 1985, a counterintelligence analyst for the United States Naval Intelligence Service, Jonathan Jay Pollard, was caught spying for Israel in Washington.

Then there were allegations, later proved unfounded, that top-secret defense parts had been shipped illegally from American factories to Israel. Then a former Israeli general was arrested for alleged involvement in an international scheme to sell \$2 billion in arms to Iran.

"Even though these events may not have been connected in any way, the Iran affair adds to the erosion of Israel's reputation in the United States," said Jacob Goldberg, the acting director of Tel Aviv University's Middle East studies center. "Even if Israel did nothing wrong, people don't look at the specifics. It just has a negative aura." This negative atmosphere is potentially extremely dangerous because it impinges on the very core of grassroots America's affinity with Israel. As President Reagan has been reminded during the Iran affair, the American people tend to define the world in moral terms, not Machiavellian ones, and this has always been one of the sources of their affection for Israel. It is precisely that which is being chipped away by all of these negative stories.

## Arms Sales Problems

Third, the Iran affair may have inadvertently damaged Israel's ability to argue in Congress against arms sales to Arab countries. "How can we oppose arms sales to certain Arab countries if their supporters in Congress use the very same arguments we used in the Iran affair — that they might open channels of communications or support moderate elements," said Mr. Goldberg.

If arms can be sold to the Khomeini regime, fundamentalist Moslem but not Arabic, they can be sold to anyone. In fact, someday someone may argue that the United States sell arms to "moderate" elements of the Palestine Liberation Organization as a way of strengthening them against the more radical trends.

Finally, and maybe most important, since the Iran affair broke President Reagan has begun to look like a lame duck, and there seems to be a possibility that Secretary of State George P. Shultz, whom the Israelis view as their closest friend in Washington, may resign in the next few months. Israeli officials interested in advancing the peace process think that this means Israel cannot expect much in the way of an American initiative for the last two years of Mr. Reagan's term and probably the first term of his successor.

For those experts who believe that an American push at some stage is necessary to break the

Middle East deadlock, this means a minimum three-year wait. Those who believe that the parties themselves can and should come to terms on their own will now have ample time to test their thesis.

"A Reagan still wearing his Teflon could have been in here with vigor," said a senior Israeli official. "It would have been a very tempting time for him. Now, even if the Americans do get involved, they will not have the necessary afterburners to make a difference."